

108TH CONGRESS
1ST SESSION

H. R. 3144

To amend title 36, United States Code, to amend the Federal charter of the United States Olympic Committee.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 23, 2003

Mr. STEARNS (for himself, Mr. STUPAK, and Ms. SCHAKOWSKY) introduced the following bill; which was referred to the Committee on the Judiciary

A BILL

To amend title 36, United States Code, to amend the Federal charter of the United States Olympic Committee.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “United States Olympic
5 Committee Reform Act”.

6 **SEC. 2. DEFINITIONS.**

7 Section 220501(b) of title 36, United States Code,
8 is amended—

9 (1) by redesignating paragraphs (5) through
10 (8) as paragraphs (6) through (9), respectively; and

1 (2) by inserting after paragraph (4) the fol-
2 lowing:

3 “(5) ‘independent director’ means an inde-
4 pendent director, as defined by the bylaws of the
5 corporation, who, at minimum—

6 “(A) has not been an officer or director of
7 the Executive Committee of the corporation,
8 during the 3-year period prior to appointment
9 as an independent director;

10 “(B) has not been an officer or a member
11 of the Athlete’s Advisory Council, the National
12 Governing Bodies Council, or of the Inter-
13 national Olympic Committee, during the 3-year
14 period prior to appointment as an independent
15 director;

16 “(C) has not, during the 3-year period
17 prior to appointment as an independent direc-
18 tor, received any compensation from, and does
19 not have a personal service contract with, the
20 corporation, any United States Olympic Entity,
21 any International Olympic entity, or a member
22 of the corporation’s senior management;

23 “(D) has not, during the 3-year period
24 prior to appointment as an independent direc-
25 tor, had such a close affiliation with a company

1 or firm that is counsel, auditor, advisor, paid
2 consultant of, or has a material business rela-
3 tionship with, the corporation, any United
4 States Olympic entity, any International Olym-
5 pic entity, or a member of the corporation's
6 senior management, that in the judgment of the
7 Nominating and Governance Committee would
8 adversely affect the director's ability to rep-
9 resent the interests of the United State public
10 in the activities of the corporation;

11 “(E) has no relationship with the corpora-
12 tion, any United States Olympic entity, any
13 International Olympic entity, or a member of
14 the corporation's senior management that in
15 the judgment of the Nominating and Govern-
16 ance Committee would adversely affect the di-
17 rector's ability to represent the interests of the
18 United State public in the activities of the cor-
19 poration; and

20 “(F) is not an immediate family member
21 of any person described in subparagraphs (A)
22 through (E).”.

23 **SEC. 3. PURPOSES.**

24 Section 220503 of title 36, United States Code, is
25 amended to read as follows:

1 **“§ 220503. Purposes**

2 “The purposes of this corporation are—

3 “(1) to exercise exclusive jurisdiction directly or
4 through constituent members or committees, over—

5 “(A) all matters pertaining to the United
6 States participation in the Olympic Games, the
7 Paralympic Games, and the Pan American
8 Games, including representation of the United
9 States in such games; and

10 “(B) the organization of the Olympic
11 Games, the Paralympic Games, and the Pan
12 American Games when held in the United
13 States;

14 “(2) to obtain for the United States, directly or
15 by delegation to the appropriate national governing
16 body or paralympic sports organization, the most
17 competent amateur representation possible in each
18 event of the Olympic Games, the Paralympic games,
19 and the Pan American Games;

20 “(3) to provide for swift resolution of conflicts
21 or disputes involving amateur athletes, national gov-
22 erning bodies, paralympic sports organizations, and
23 amateur sports organizations, and protect the oppor-
24 tunity of any amateur athlete, coach, trainer, man-
25 ager, administrator, or official to participate in ama-
26 teur competition; and

1 “(4) to encourage and provide assistance to
 2 amateur athletic programs and activities for women
 3 and men, athletes with disabilities, and athletes who
 4 are racial and ethnic minorities.”.

5 **SEC. 4. GOVERNANCE.**

6 (a) IN GENERAL.—Chapter 2205 of title 36, United
 7 States Code, is amended by redesignating sections 220505
 8 through 220512 as sections 220506 through 220513, re-
 9 spectively, and inserting after section 220504 the fol-
 10 lowing new section:

11 **“§ 220505. Governance**

12 “(a) IN GENERAL.—Consistent with the provisions of
 13 this chapter, the corporation shall adopt bylaws to estab-
 14 lish and maintain provisions with respect to its governance
 15 which shall include the requirements contained in sub-
 16 sections (b) through (f):

17 “(b) BOARD OF DIRECTORS.—

18 “(1) IN GENERAL.—The corporation shall be
 19 governed by a Board of Directors (in this chapter
 20 referred to as the ‘Board’) as follows:

21 “(A) ELECTED MEMBERS.—The Board
 22 shall be composed of 9 elected members who
 23 shall be nominated by the Nominating and Gov-
 24 ernance Committee (described in paragraph
 25 (7)(C)). The elected members shall consist of—

1 “(i) 5 members who shall be inde-
2 pendent directors;

3 “(ii) 2 members who shall be elected
4 from among individuals proposed by the
5 National Governing Bodies Council; and

6 “(iii) 2 members who shall be elected
7 from among individuals proposed by the
8 Athlete’s Advisory Council.

9 “(B) EX OFFICIO MEMBERS.—The Board
10 shall have as ex officio members the members
11 of the International Olympic Committee (IOC)
12 that are required by that committee’s charter.

13 “(C) NON-VOTING MEMBERS.—

14 “(i) LIAISON OF THE OLYMPIC ASSEM-
15 BLY.—The liaison of the Olympic Assem-
16 bly (described in subsection (d)(3)) shall
17 serve as a nonvoting ex officio member of
18 the Board.

19 “(ii) REPRESENTATION OF
20 PARALYMPIC SPORTS ORGANIZATION.—Un-
21 less at least 1 of the elected members
22 under subparagraph (A) is a representative
23 of a paralympic sports organization, such a
24 representative shall be appointed by the
25 Nominating and Governance Committee of

1 the Board to serve as a nonvoting member
2 of the Board.

3 “(2) TERMS.—Members of the Board shall
4 serve for appointed terms in accordance with the by-
5 laws of the corporation. No member shall serve on
6 the Board for a period greater than 6 years.

7 “(3) QUALIFICATIONS.—Each member shall
8 have demonstrated the highest character and integ-
9 rity, significant professional success, and a commit-
10 ment to public service, and shall have demonstrated
11 by their vocation or experience the capacity to fur-
12 ther the objectives and purposes of the United
13 States Olympic Committee, and shall have such
14 other specific qualities or expertise as the Board
15 considers necessary.

16 “(4) REMOVAL.—Members may be removed
17 from the Board only for cause, in accordance with
18 the bylaws of the corporation.

19 “(5) VOTING.—

20 “(A) IN GENERAL.—

21 “(i) ELECTED MEMBERS.—Each of
22 the 9 elected members described in para-
23 graph (1)(A) shall have the number of
24 votes equal to the number of ex officio
25 members described in paragraph (1)(B).

1 “(ii) EX OFFICIO MEMBERS.—The ex
2 officio members described in paragraph
3 (1)(B) shall each have 1 vote on all mat-
4 ters on which the Board votes except—

5 “(I) the selection of the chair of
6 the Board;

7 “(II) the election of new mem-
8 bers;

9 “(III) the composition of Board
10 committees; and

11 “(IV) any matter which presents
12 such members with a conflict of inter-
13 est.

14 “(B) TIE VOTES.—A tie vote shall be bro-
15 ken as provided for in the bylaws of the cor-
16 poration, in accordance with the following:

17 “(i) MATTERS OF PURELY BUSINESS
18 AND GOVERNANCE.—On matters related
19 purely to the business and governance of
20 the corporation, a tie vote of the Board
21 shall be broken by the majority of the
22 votes cast by the independent directors de-
23 scribed in paragraph (1)(A)(i).

24 “(ii) MATTERS RELATED TO SPORT.—
25 On matters related to sport and all mat-

1 ters other than those described in clause
2 (i), a tie vote of the Board shall be broken
3 by a majority of the votes cast by the
4 members described in clauses (ii) and (iii)
5 of paragraph (1)(A), and the ex officio
6 members described in paragraph (1)(B).

7 “(6) CHAIR.—The Board shall elect 1 of the
8 members to serve as chair of the Board, who shall
9 serve as chair for a term of 4 years. The chair may
10 serve an additional 2 years (beyond the 4 year term
11 established for the Board in paragraph (2)) in order
12 to complete his or her 4 year term as chair. The
13 first chair elected after the date of enactment of the
14 United States Olympic Committee Reform Act shall
15 be an independent member.

16 “(7) COMMITTEES.—In addition to any commit-
17 tees, subcommittees, and task forces as may be nec-
18 essary or appropriate and for which sufficient funds
19 exist, the Board shall establish the following stand-
20 ing committees:

21 “(A) An Audit Committee, consisting of—

22 “(i) 3 Board members described in
23 paragraph (1)(A)(i); and

24 “(ii) 1 Board member described in
25 paragraph (1)(A)(iii).

1 “(B) An Ethics Committee, consisting of—

2 “(i) 3 persons who meet the definition
3 of ‘independent director’ in section
4 220501(b)(5) and who are not members of
5 the Board;

6 “(ii) 1 person who meets the defini-
7 tion of ‘amateur athlete’ in section
8 220501(b)(1) and who is not a member of
9 the Board; and

10 “(iii) 1 elected member of the Board
11 described in paragraph (1)(A).

12 “(C) A Nominating and Governance Com-
13 mittee and a Compensation Committee, each
14 consisting of—

15 “(i) 3 Board members described in
16 paragraph (1)(A)(i);

17 “(ii) 1 Board member described in
18 paragraph (1)(A)(ii); and

19 “(iii) 1 Board member described in
20 paragraph (1)(A)(iii).

21 “(8) REMUNERATION AND TRAVEL EX-
22 PENSES.—The members of the Board shall not re-
23 ceive any compensation, fee, salary, or other remu-
24 nation for their service on the Board, but shall be
25 reimbursed for actual and reasonable travel expenses

1 incurred for attending Board meetings or in further-
2 ance of duties that they have been requested to per-
3 form by the Chair.

4 “(9) DUTIES.—The Board shall have the fol-
5 lowing duties:

6 “(A) To oversee the corporation’s business
7 and operations in the United States and
8 abroad, including all matters relating to finan-
9 cial, commercial, legal, personnel, and govern-
10 ance.

11 “(B) To set the policy and direction of the
12 corporation consistent with the corporation’s
13 mission and purposes.

14 “(C) To establish a Nominating and Gov-
15 ernance Committee to provide for a process for
16 nominating new Board members.

17 “(D) To elect new Board members from
18 among those persons nominated by the Nomi-
19 nating and Governance Committee.

20 “(E) To select and evaluate the Chief Ex-
21 ecutive Officer.

22 “(F) To oversee the bid city process in the
23 United States, and to monitor the organizing
24 committee of the Olympic Games when the
25 Games are held in the United States.

1 “(c) CHIEF EXECUTIVE OFFICER.—

2 “(1) IN GENERAL.—The corporation shall have
3 a chief executive officer who shall not be a member
4 of the Board of Directors. The chief executive officer
5 shall be elected by, and report to, the Board, as pro-
6 vided in the bylaws of the corporation. The chief ex-
7 ecutive officer shall be responsible, with Board ap-
8 proval, for filling other key senior management posi-
9 tions as provided in the bylaws of the corporation.

10 “(2) DUTIES.—The chief executive officer shall,
11 either directly or by delegation—

12 “(A) manage all staff functions and the
13 day-to-day affairs and business operations of
14 the corporation, including relations with inter-
15 national organizations; and

16 “(B) implement the mission and policies of
17 the corporation, as determined by the Board.

18 “(d) OLYMPIC ASSEMBLY.—

19 “(1) IN GENERAL.—The corporation shall have
20 an Olympic Assembly (in this chapter referred to as
21 the Assembly) in which all of the constituencies of
22 the corporation shall be represented. The size and
23 composition of the Assembly shall be determined by
24 the Board and shall include—

1 “(A) Olympic athletes and former Olympic
2 athletes;

3 “(B) representatives of Olympic sports or-
4 ganizations;

5 “(C) representatives of Pan American
6 sports organizations;

7 “(D) a representative of an affiliated
8 sports organization;

9 “(E) representatives of community-based
10 and education-based multisport organizations;

11 “(F) representatives of the United States
12 Armed Forces; and

13 “(G) a representative of a State Olympic
14 organization.

15 “(2) TERMS.—Each member of the Assembly
16 shall serve for a term of 4 years, beginning with the
17 first meeting following a Summer Olympic Games
18 and extending until the first meeting following the
19 subsequent Summer Olympic Games. There shall be
20 no limit to the number of terms which a member
21 may serve.

22 “(3) LIAISON.—Each Assembly shall elect a li-
23 aison from among its members who shall preside
24 over the annual meetings of the Assembly, and who
25 shall be limited to serving 1 term of 4 years.

1 “(4) ROLE AND RESPONSIBILITIES.—

2 “(A) REQUIRED ACTIVITIES.—The Assem-
3 bly shall—

4 “(i) meet annually, at the time of a
5 meeting of the Board of Directors, to rep-
6 resent the interests of its members; and

7 “(ii) receive and review reports from
8 the Board concerning sport matters and
9 the business of the corporation.

10 “(B) PERMITTED ACTIVITIES.—The As-
11 sembly may—

12 “(i) propose items for consideration
13 by the chair to be included on the agenda
14 for the Board; and

15 “(ii) perform other functions as the
16 Board determines to be appropriate.

17 “(5) EXPENSES.—The Board shall set the
18 budget for the Assembly, which may pay the actual
19 and reasonable expenses of members of the Assem-
20 bly to attend the annual meeting, and any special
21 meetings called by the Board.

22 “(e) STANDARDS AND COMPLIANCE PROGRAM.—The
23 corporation shall maintain a standards and compliance
24 program that includes, at minimum, the following require-
25 ments:

1 “(1) The development and distribution of writ-
2 ten standards of conduct, as well as written policies,
3 procedures, and protocols that promote the United
4 States Olympic Committee’s commitment to compli-
5 ance with such standards and address specific areas
6 of potential infractions of compliance.

7 “(2) The designation of a compliance or ethics
8 officer at the executive level who shall report to the
9 Board and shall be charged with the responsibility
10 for developing, operating, and monitoring the com-
11 pliance program.

12 “(3) The development and implementation of
13 regular, effective education and training programs
14 for all affected United States Olympic Committee
15 employees, including paid senior management, offi-
16 cers, volunteers, and directors of a member organi-
17 zation.

18 “(4) The creation and maintenance of an effec-
19 tive line of communication between the compliance
20 officer and all United States Olympic Committee
21 employees and volunteers, including a process, such
22 as a hotline or other reporting system, to receive
23 complaints, and the adoption of procedures to pro-
24 tect the anonymity of complainants and to protect
25 complainants from retaliation.

1 “(5) The use of audits and other risk evaluation
2 techniques to monitor compliance, identify problem
3 areas, affecting the United States Olympic Com-
4 mittee, its officers, employees, and volunteers, and
5 assist in the reduction of identified problems.

6 “(6) The development of policies and proce-
7 dures with respect to the investigation of identified
8 systemic problems, which include direction regarding
9 the prompt and proper response to detected offenses,
10 such as the initiation of appropriate corrective action
11 and preventive measures.

12 “(7) The development of a system to respond to
13 allegations of illegal or improper activities and the
14 enforcement of appropriate disciplinary action
15 against United States Olympic Committee employees
16 who have violated internal compliance policies, appli-
17 cable statutes, regulations, or other United states
18 Olympic Committee requirements.

19 “(f)10-YEAR REVIEW.—Not later than January 1,
20 2014, and every 10 years thereafter, the Board shall ap-
21 point an independent commission to study and determine
22 whether the governance structure of the corporation con-
23 tinues to serve the purpose for which it was created. Such
24 commission shall transmit to Congress a report which

1 shall include recommendations for changes to the govern-
 2 ance structure of the corporation.”.

3 (b) TABLE OF SECTIONS.—The table of sections for
 4 subchapter I of chapter 2205 of title 36, United States
 5 Code, is amended to read as follows:

“SUBCHAPTER I—CORPORATION

“Sec.

“220501. Title and definitions.

“220502. Organization.

“220503. Purposes.

“220504. Membership.

“220505. Governance.

“220506. Powers.

“220507. Exclusive right to name, seals, emblems, and badges.

“220508. Restrictions.

“220509. Headquarters, principle office, and meetings.

“220510. Resolution of disputes.

“220511. Services of process.

“220512. Annual report.

“220513. Complete teams.”.

6 (c) POWERS RELATED TO AMATEUR ATHLETICS AND
 7 THE OLYMPIC, PARALYMPIC, AND PAN-AMERICAN
 8 GAMES.—Section 220506(c) of title 36, United States
 9 Code, (as amended by this Act) is amended—

10 (1) in the subsection heading by inserting “,
 11 PARALYMPIC, AND PAN-AMERICAN” after “OLYM-
 12 PIC”; and

13 (2) in paragraph (3), by inserting “or
 14 paralympic sports organization” after “governing
 15 body”.

16 (d) TRANSITION.—

17 (1) CONTINUANCE OF EXISTING BOARD DURING
 18 TRANSITION.—The individuals serving as members

1 of the Board of Directors of the United States
2 Olympic Committee on the date of enactment of this
3 Act shall continue to serve as the Board until a
4 Board of Directors has been elected under para-
5 graph (2)(B) of this subsection.

6 (2) INITIAL NOMINATING AND GOVERNANCE
7 COMMITTEE.—

8 (A) IN GENERAL.—Until the initial Board
9 of Directors has been elected and taken office,
10 the Nominating and Governance Committee re-
11 quired by section 220505(b)(6)(C) of title 36,
12 United States Code, (as amended by this Act)
13 shall consist of—

14 (i) 1 individual selected by the Ath-
15 lete's Advisory Council from among its
16 members;

17 (ii) 1 individual selected by the Na-
18 tional Governing Bodies' Council from
19 among its members;

20 (iii) 1 individual selected by the pub-
21 lic-sector directors of the United States
22 Olympic Committee from among such di-
23 rectors serving on the date of enactment of
24 this Act;

1 (iv) 1 individual selected by the Gov-
2 ernance and Ethics Task Force established
3 by the United States Olympic Committee
4 in February, 2003, from among its mem-
5 bers; and

6 (v) 1 individual selected by the Inde-
7 pendent Commission on Reform estab-
8 lished by the United States Olympic Com-
9 mittee in March, 2003, from among its
10 members, who shall chair the committee.

11 (B) ELECTION OF NEW BOARD OF DIREC-
12 TORS.—The Nominating and Governance Com-
13 mittee established by paragraph (2) shall—

14 (i) elect an initial Board of Directors
15 who shall serve for the terms provided in
16 section 220505(b)(2)(C) of title 36, United
17 States Code (as amended by this Act); and

18 (ii) elect 1 of the independent mem-
19 bers described in section
20 220505(b)(1)(A)(i) of that title (as amend-
21 ed by this Act) to serve as chair until the
22 terms of the members elected under clause
23 (i) have expired.

24 (C) ELIGIBILITY FOR NEW BOARD OF DI-
25 RECTORS.—Members of the initial Nominating

1 and Governance Committee shall not be eligible
2 to serve on the initial Board of Directors that
3 has been elected under subparagraph (B), but
4 shall be eligible for election to subsequent
5 Boards.

6 **SEC. 5. OMBUDSMAN.**

7 Section 220510(b) of title 36, United States Code,
8 (as amended by this Act) is amended—

9 (1) in paragraph (1), by striking “corporation”
10 and inserting “Board”;

11 (2) in paragraph (2)(A)(i), by striking “cor-
12 poration’s executive director” and inserting
13 “Board”;

14 (3) by striking clause (ii) of paragraph (2)(A)
15 and redesignating clause (iii) of such paragraph as
16 clause (ii);

17 (4) in clause (ii) of paragraph (2)(A) (as so re-
18 designated), by striking “corporation’s executive
19 committee” and inserting “Board”;

20 (5) in paragraph (2)(B), by striking “corpora-
21 tion” and inserting “Board”;

22 (6) in paragraph (2)(B)(ii), by striking “cor-
23 poration’s executive committee by either the corpora-
24 tion’s executive director or” and inserting “Board”;
25 and

1 (7) in paragraph (2)(B)(iii), by striking “cor-
2 poration’s executive committee” and inserting
3 “Board”.

4 **SEC. 6. REPORTING.**

5 (a) ANNUAL REPORT.—Section 220512 of title 36,
6 United States Code, (as amended by this Act) is amend-
7 ed—

8 (1) by striking “every fourth” and inserting
9 “each”;

10 (2) by striking “4 years” and inserting “year”;
11 and

12 (3) in paragraph (2) by striking “such 4-year
13 period” and inserting “the preceding year”.

14 (b) SPECIAL REPORT.—Notwithstanding any other
15 provision of law, the corporation shall not be required to
16 submit to Congress any additional report, other than a
17 report required by section 220512 of title 36, United
18 States Code, (as amended by this Act) until 2 years after
19 the date of enactment of this Act.

20 **SEC. 7. CONFORMING AND TECHNICAL AMENDMENTS.**

21 Chapter 2205 of title 36, United States Code, (as
22 amended by this Act) is amended—

23 (1) in section 220501, by moving paragraph (7)
24 2 ems to the right;

1 (2) in section 220504, by striking “constitution
2 and” both places it appears;

3 (3) in section 220506—

4 (A) in subsection (a)—

5 (i) in the subsection heading, by strik-
6 ing “CONSTITUTION AND”;

7 (ii) by striking “constitution and”;
8 and

9 (iii) by striking “may amend its con-
10 stitution” and inserting “may amend its
11 bylaws”; and

12 (B) in subsection (b)(9), by striking “this
13 Act” and inserting “this chapter”;

14 (C) in subsection (c)(5), by striking “con-
15 stitution and”;

16 (4) in section 220507(d)—

17 (A) by moving paragraph (3) 2 ems to the
18 left; and

19 (B) in paragraph (3)(A), by striking “sub-
20 sections” and inserting “subsection”;

21 (5) in section 220510—

22 (A) in subsection (a), by striking “con-
23 stitution and” each place it appears;

24 (B) in subsection (b)(1)(A)—

1 (i) by striking “constitution and” both
2 places it appears;

3 (ii) by striking “a paralympic sports
4 organizations” and inserting “paralympic
5 sports organizations”;

6 (6) in section 220513, by striking “Corpora-
7 tion” and inserting “corporation”;

8 (7) in section 220521, by striking “subsections
9 (a) or (b)” and inserting “subsection (a) or (b)”;

10 (8) in section 220522(a)(4)(B), by striking
11 “constitution and” and

12 (9) in section 220529, by striking “constitution
13 and” both places it appears.

○